



Tom Barrett
Mayor, City of Milwaukee

August 11, 2008

To the Honorable, the Common Council
of the City of Milwaukee

Honorable Members of the Common Council:

I am vetoing Common Council File 080034, which imposes a new \$20 local motor vehicle registration fee on automobiles and light trucks registered in the City of Milwaukee for the purpose of financing street reconstruction and resurfacing, eliminating paving special assessments and reducing other special assessments.

This legislation is bad public policy. It sets up Milwaukee to become a “tax island” and unfairly places the sole burden of street repaving on residents when so many others benefit including commercial, non-profit and manufacturing properties and absentee landlords.

Analysis of trip generation data indicates that these land uses receive the benefits associated with street improvements so it is fair to expect those property owners to contribute to the costs through a mix of special assessments and property tax funding. The value is so great to these entities that current assessment rates are even higher for non-residential properties. Under the current legislation, their direct contributions for roadway improvements will be eliminated entirely.

I strongly agree with the need to increase our investment in local streets, and I share the desire to reduce special assessments. I am, however, opposed to a funding scheme that is totally financed by City residents while businesses, not-for-profits and non-City residents – all generators of traffic on City streets – contribute nothing.

I have proposed an alternative that would increase the level of funding for street paving while significantly lowering the cost to residents. Rather than impose a \$20 per year, per vehicle increase for every resident, my alternative will increase the property tax by an average of \$5.12 by 2014 and include payment from commercial, manufacturing and tax exempt properties, all of which are not subjected to the wheel tax.

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This proposal reduces the typical special assessment on a paving-related project by 37 percent – more than a \$1,000 reduction on a concrete project.

Disingenuous attempts have been made to categorize the fee increase as revenue from the state Department of Transportation. That is false. This is a tax on City of Milwaukee residents and will increase the cost of registering their vehicles from \$75 per car to \$95 per car – a 26 percent increase for every vehicle in a household.

I am vetoing this proposal because it is unfair to raise the vehicle registration fee from \$75 to \$95 for only City of Milwaukee residents. At a time when residents are already grappling with increases in food and fuel prices, a 26 percent increase in the vehicle registration fee and a complete elimination of the responsibility of other property owners is not the road to go down.

It is also unfair to punish those property owners who have responsibly agreed to support the improvement of their street and reward those who successfully worked to defeat improvements simply because they did not want to pay. I fully expect Aldermen who have voted down projects in their districts to now push to have those same projects moved to the top of the list.

Should my veto be overridden, I strongly suggest members of the Council consider maintaining some form of roadway assessment for properties so that everyone continues to pay their fair share. Requiring all property owners to share in the cost of an improvement to their street is good public policy.

Sincerely,

A handwritten signature in black ink that reads "Tom Barrett". The signature is written in a cursive, flowing style with a large initial "T".

Mayor Tom Barrett